

Operation Tough Call Phase One Fact Sheet

Summary: Knock-and-Notice visits to 74 potential boiler room targets in Los Angeles, Orange and San Diego counties, issuance of subpoenas to 20 entities and 26 individuals and issuance of 92 Desist and Refrain Orders for the illegal and fraudulent offer and sale of securities and/or for acting as unlicensed broker-dealers to 30 individuals and 20 entities in California, Utah, Florida and Nevada. To date, the project has also brought two civil actions against six entities and five individuals and criminal actions including four search warrants, one arrest, five indictments and one conviction to date. Total amount of offerings involved is over \$200 million.

Desist and Refrain Orders Issued

Summary: Issuance of 92 Desist and Refrain Orders for the illegal and fraudulent offer and sale of securities and/or for acting as unlicensed broker-dealers to 30 individuals and 20 entities. Total amount of the offerings involved was at least \$43 million.

1. Subjects: Diamondshow.com, LLC
Robert P. Norton
Douglas F. Parnell
4275 Executive Square, Suite 800
La Jolla, CA 92037

Type of Security: Membership interests in a limited liability company (LLC)
Type of Business: Website for diamond auctions
Amount raised: To be raised \$1,000,000; \$300,000 raised– see #2-#5
Violations: Illegal and fraudulent offer and sale of securities
Action taken: Desist and Refrain Orders issued – November 6, 2000

2. Subjects: World Wide Financial Group
Roger Angelo
Allen Andrescu
Mitch Leitner
3800 S. Ocean Drive, Suite 210
Hollywood, FL 33019

Type of Security: Membership interests in LLC
Type of Business: Telemarketer for Diamondshow.com
Amount raised: \$300,000 – see #1
Violations: Illegal and fraudulent offer and sale of securities; unlicensed broker-dealer activity
Action taken: Desist and Refrain Orders issued – November 6, 2000

3. Subjects: CGB Financial, Inc.
William P. Cullen
22817 Ventura Blvd. #322
Woodland Hills, CA 91364
- Type of Security: Membership interests in LLC
Type of Business: Telemarketer for Diamondshow.com
Amount raised: \$300,000 – see #1
Violations: Illegal and fraudulent offer and sale of securities; unlicensed broker-dealer activity
Action taken: Desist and Refrain Orders issued – November 6, 2000
4. Subjects: American Business Center
Douglas F. Parnell
4275 Executive Square, Suite 800
La Jolla, CA 92037
- Type of Security: Membership interests in LLC
Type of Business: Telemarketer for Diamondshow.com
Amount raised: \$300,000 – see #1
Violations: Illegal offer and sale of securities; unlicensed broker-dealer activity
Action taken: Desist and Refrain Orders issued – November 6, 2000
5. Subjects: Investment Partners de Mexico, Inc.
Richard Jenkins
4803 South Mojave Road
Las Vegas, NV 89121
- Type of Security: Membership interests in LLC
Type of Business: Telemarketer for Diamondshow.com
Amount raised: \$300,000 – see #1
Violations: Unlicensed broker-dealer activity
Action taken: Desist and Refrain Order issued – November 6, 2000
6. Subjects: Aqcess Technologies, Inc.
Jon-Erik Prichard
Thomas R. Sanford
Kain K. Johnson
3611 S. Harbor Blvd., Suite 105
Costa Mesa, CA 92704
- Type of Security: Common stock
Type of Business: Developer of hand-held computer
Amount raised: \$25,000,000 – see #7
Violations: Illegal and fraudulent offer and sale of securities
Action taken: Desist and Refrain Orders issued – November 16, 2000

7. Subjects: Golden Global Pacific, Inc. aka
Golden Global Pacific Financial
Thomas R. Sanford
Kain K. Johnson
1150 Main Street, #E
Irvine, CA 92614
- Type of Security: Common stock
Type of Business: Telemarketer for Aqcess Technologies, Inc.
Amount raised: \$25,000,000 – see #6
Violations: Illegal and fraudulent offer and sale of securities; unlicensed broker-dealer activity
Action taken: Desist and Refrain Orders issued – November 16, 2000
8. Subjects: Edge Business Services
Windows to the World
Wealth Financial Group
Wayne K. Richardson
Anthony Avalon
Gary Lowenthal
8383 Wilshire Blvd. Suite 1024
Beverly Hills, CA 90211
- Type of Security: Corporate Promissory Notes
Type of Business: Venture Capital Funding Business
To be raised: Unknown
Violations: Illegal and fraudulent offer and sale of securities
Action Taken: Desist and Refrain Orders issued – June 9, 2000
9. Subjects: Taramar Venture Capital, LLC
NC Software, LLC aka Kidsnet Connect, LLC
Marvin Butler
939 S. Sepulveda Blvd., Suite 261
Los Angeles, CA 90049
- Type of Security: Membership in LLC
Type of Business: Educational website
To be raised: Approx. \$6.9 million
Violations: Illegal and fraudulent offer and sale of securities
Action taken: Desist and Refrain Orders issued on October, 19, 2000.
Additionally, Marvin Butler was indicted in late 1999 by U.S. Attorney charged with mail fraud and money laundering related to a prior securities case in 1994-1995. Trial is pending.

10. Subjects: Modern Marketing Company, Inc.
Diversified Marketing Concepts, LLC
Magna Advisors, Inc.
Modoc Trading Corporation
Wall Street West, Inc.
Dan Scheuer
Paula Belluomini
2865 Mendoza
Costa Mesa, CA 92626
- Type of Security: Stock
Type of Business: Manufacturer of coffee brewing devices
To be raised: \$128,250
Violations: Fraudulent offer and sale of securities
Action taken: Desist and Refrain Order issued – October 20, 2000
11. Subjects: ICON Trading, Inc.
Raece B. Richardson
Victor Morris
Phil D’Auria
9003 Reseda Blvd.
Northridge, CA 91324
and
622 Airport Road
Oceanside, CA 92054
- Type of Security: Stock
Type of Business: Sportswear manufacturer in surf, snow and skating business
Amount raised: \$3,000,000
Violations: Illegal and fraudulent offer and sale of securities
Action taken: Desist and Refrain Orders issued – July 19, 2000
12. Subjects: Wasatch Pharmaceutical, Inc.
David K. Giles
Gary Heesch
714 East 7200 South
Midvale, UT 84047
- Type of Security: Common stock
Type of Business: Pharmaceutical company
Amount raised: \$500,000 +
To be raised: Unknown
Violation: Illegal offer and sale of securities
Action taken: Desist and Refrain Orders issued – December 7, 2000

13. Subjects: Aslo Taylor
 Rob Heller
 Mark Kanusher
 Socrates Scatolini
 Sean Teamor
 Daryl Ragsdale
 Provision Capital Funding
 2801 Camino del Rio South, Suite 200
 San Diego, CA 92108

Type of Securities: Common stock
 Type of Business: Sales organization for many issuers
 Amount raised: \$5 million +
 Violations: Illegal offer and sale of securities; unlicensed broker-dealer activity
 Action taken: Desist and Refrain Order for illegal offer and sale of securities issued on December 17, 2000 to Provision Capital Funding, Heller, Taylor, and Scatolini and Desist and Refrain Order for unlicensed broker-dealer activity issued on December 7, 2000, to Provision Capital Funding, Heller, Teamor, Ragsdale, Kanusher, and Scatolini.

Knock-and-Notice Visits

The Operation Tough Call Task Force commenced its Knock-and-Notice visits during October 2000 and concluded them in mid-December. The task force visited or notified 74 companies that appeared to be engaged in boiler room activities that they may be in violation of the Corporate Securities Law. These Knock-and-Notice visits have involved a number of other members of the Operation Tough Call Task Force, including the Federal Bureau of Investigation (FBI), Federal Trade Commission (FTC), Commodities Future Trading Commission (CFTC), County of Orange Boiler Room Apprehension (COBRA) Task Force, San Diego Boiler Room Task Force, postal inspectors and local law enforcement agencies. Of the 74 companies visited, the task force has information that 17 of the offerings involved a total offering amount of \$74,400,000. Since the Knock-and-Notice visits did not involve public actions, the subjects of the visits are confidential.

Subpoena Duces Tecum

The task force issued subpoenas for books and records and testimony to 20 companies and 26 individuals involved in offering at least \$40,278,000 of offerings of securities to the public. Since subpoenas are an investigative tool and not a public action, the subjects of the subpoenas are confidential.

Civil Actions

To date, the project has brought two civil actions against six entities and five individuals in offerings of at least \$3 million in securities.

1. Subjects:
Telephonic Yellow Pages, Inc.
Telephonic Yellow Pages, Inc., a California Corporation
Telephonic Yellow Pages, Inc., a Delaware Corporation
Telephonic Yellow Pages of Los Angeles, Ltd.
Telephonic Yellow Pages of California, Ltd.
James Irvin Young, III
Robert D. Stewart
Tammy Garrett-Young
Dan Sanford Webb
6492 South Street, Suite 235
Lakewood, CA 90713

Type of Security: Limited partnership interests; stock; stock options; notes
Type of Business: Telephonic yellow pages service
Amount raised: \$2.2 million
Violations: Illegal and fraudulent offer and sale of securities; false filings with the Department of Corporations; violation of Desist and Refrain Order

Action taken: On May 12, 2000, a criminal indictment was filed against James Irvin Young, III, Robert D. Stewart, Tammy Garrett-Young and Dan Sanford Webb for the illegal and fraudulent offer and sale of securities and grand theft. In the civil case, a Permanent Injunction was issued on December 16, 1999, against defendant Webb. Permanent Injunctions were issued against the company and remaining defendants on May 3, 2000. Broker-dealer and investment adviser bars have been taken against all individual defendants.
2. Subjects:
Global Internet Gaming, Inc.
Clark Shattuck
14020 Captain's Row, Suite 304
Marina del Rey, CA 90292

Type of Security: Common stock
Type of Business: Developer of internet casino
Amount raised: \$950,000
Violations: Illegal and fraudulent offer and sale of securities; violation of Desist and Refrain Order

Action taken: Civil complaint filed on December 13, 2000, seeking injunction and other relief.

Criminal

The task force participants have convicted one individual, indicted five individuals, arrested one individual and executed multiple search warrants against individuals and entities. Many of these actions are not yet public. Securities offerings of at least \$53 million are involved in the cases.

1. <u>Subjects:</u>	Telephonic Yellow Pages, Inc. Telephonic Yellow Pages, Inc., a California Corporation Telephonic Yellow Pages, Inc., a Delaware Corporation Telephonic Yellow Pages of Los Angeles, Ltd. Telephonic Yellow Pages of California, Ltd. James Irvin Young, III Robert D. Stewart Tammy Garrett-Young Dan Sanford Webb 6492 South Street, Suite 235 Lakewood, CA 90713
Type of Security:	Limited partnership interests; stock; stock options; notes
Type of Business:	Telephonic yellow pages service
Amount raised:	\$2.2 million
Violations:	Illegal and fraudulent offer and sale of securities; false filings with the Department of Corporations; violation of Desist and Refrain Order
Action taken:	On May 12, 2000, a criminal indictment was filed against James Irvin Young, III, Robert D. Stewart, Tammy Garrett-Young and Dan Sanford Webb for the illegal and fraudulent offer and sale of securities and grand theft. In the civil case, a Permanent Injunction was issued on December 16, 1999, against defendant Webb. Permanent Injunctions were issued against the company and remaining defendants on May 3, 2000. Broker-dealer and investment adviser bars have been taken against all individual defendants.

2. Subjects: Big Picture Entertainment Group, Inc.
American Media Releasing, Inc.
Internet Entertainment Partners, LLC
David Urbas
Joseph Nittolo
Richard F. Lee
14900 Ventura Blvd., Suite 310
Sherman Oaks, CA 91403

Type of Security: Stock
Type of Business: Telemarketer and production company to make movies and fund an internet entertainment site
To be raised: \$7,800,000
Violations: Illegal and fraudulent offer and sale of securities; false filings with the Department of Corporations; violation of Desist and Refrain Order
Action taken: Broker Richard F. Lee convicted.

3. Subjects: Tamarac Venture Capital, LLC
NC Software, LLC aka Kidsnet Connect, LLC
Marvin Butler
939 S. Sepulveda Blvd., Suite 261
Los Angeles, CA 90049

Type of Security: Limited liability membership interests
Type of Business: Educational website
To be raised: Approx. \$6.9 million
Violations: Illegal and fraudulent offer and sale of securities
Action taken: Desist and Refrain Orders issued on 10/19/00.
Additionally, Marvin Butler was indicted in late 1999 by U.S. Attorney charged with mail fraud and money laundering related to a prior securities case in 1994-1995. Trial is pending.